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REGISTERED IN UNITED STATES PATENT OFFICE

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Industrial News Survey

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A digest of industrial news as reported in reliable newspapers, magazines, reviews, and government documents.

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M. W. Alexander, Managing Director.

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Industrial Situation.

Unprecedented powers now exercised by War Trade Board are expected to eliminate profiteering and co-ordinate industry for greatest possible war production.

Government war supply program is behind schedule in almost all departments, and necessary further concentration on this work means curtailment of manufacturing even of necessary domestic supplies.

Transportation delays, while expressed in form of "car shortage," are reported mainly to be caused by insufficient terminal facilities and motive power. Railroad construction work on large scale is believed to be necessary if government operation is to be successful.

While many settlements of labor disputes are reported, it is noted that these are practically all in the form of concessions of higher wages or shorter hours.

Governmental.

President Wilson has addressed the following letter to each of the members of the War Labor Conference Board: "I have been so much and so deeply gratified, in common I believe with the great body of our fellow-citizens, by the outcome of the conferences of the War Labor Conference Board that I cannot deny myself the privilege and pleasure of writing you at least a line to say how highly serviceable I believe the result attained will be to the country and how fine an example it is of the spirit of co-operation and concession which is drawing our people together in this time of supreme crisis."

Chairman Baruch of U. S. War Industries Board has appointed a Requirements Division to fix priorities, eliminate competition in buying between governmental departments, and to so distribute contracts as to avoid many present difficulties in raw material and labor supply; the Division consists of Alexander Legge, chairman; Judge A. B. Parker, in charge of priorities; Geo. M. Peck, of finished products; J. L. Replogle, of steel; and representatives of each of the Government Departments. In case of differences, decision rests with Mr. Baruch. *Boston Evening Transcript*, in analysis of powers granted Board, says, "It means, in brief, not only that the full purchasing power of

the Government has been consolidated under one supreme civil head—but the War Industries Board henceforth will exercise absolute control over American Industry.”

U. S. Attorney-General Gregory has issued warning against profiteering under “cost-plus” system of government contracts; he states that Supreme Court rulings place on contractor burden of proof as to what is fair price, and prices named in contract cannot be accepted as establishing claims.

U. S. War Department announces organization of Industrial Service Sections attached to each purchasing department “for the maintenance of satisfactory relations between employers and employees engaged in production for the army.” Sections already organized are: Ordnance, Herman Schneider, chief; Quartermaster Department, E. M. Hopkins, chief; Signal Corps, Charles P. Neill, chief; Construction Division, Col. I. H. Alexander, chief.

A Board of Reviews has been appointed by U. S. Collector of Internal Revenue, to examine excess profits tax returns and decide questions arising from application of law to individual cases; the Board will consist of fourteen members, of whom Prof. T. S. Adams of Yale is chairman; they will be assisted by an advisory committee of four who may be called to conferences on important questions.

The six German-owned woolen mills in New Jersey which have been taken over by U. S. Alien Property Custodian are valued at

\$70,000,000; earnings during war will go into U. S. Treasury for purchase of Liberty Bonds.

Legislative.

Third Liberty Loan Bill as passed by Congress leaves wide discretionary powers to Secretary McAdoo, who is given authority to fix “denomination, terms, and conditions of issue, conversion, redemption, maturities, payment and rate of interest, not exceeding $4\frac{1}{4}\%$ per annum, and time or times of payment of interest.”

War Finance Corporation Bill, as finally passed by acceptance of conference report, permits issue of \$3,000,000,000 instead of \$4,000,000,000 bonds asked by Administration; these bonds may be offered for sale at less than par. Management of Board will be in hands of five directors, who shall receive annual salaries of \$12,000 each, and one of whom shall be U. S. Secretary of Treasury.

Conferees of U. S. Senate and House have agreed on bill providing thirty years imprisonment and fine of \$10,000 for destruction of war material, or acts of sabotage intended to destroy war materials or utilities.

Massachusetts Legislature has passed bill requiring persons or firms employing more than one hundred workers, if so required by the State Board of Labor and Industries, to provide free of cost “suitable and sanitary facilities for heating and warming food.”

New York Legislature has under consideration bill limiting loads

of motor trucks on highways to ten tons; the bill is opposed by the Motor Truck Club of America.

Bill permitting employment of children during school vacation period has been passed by New York Legislature.

Workmen's Insurance.

Employee who, with four fingers amputated, was able to perform his duty efficiently, suffered further injury requiring amputation of hand; Pennsylvania Workmen's Compensation Board ruled that employee did not suffer permanent loss of hand, since he had only part of hand to lose; but as injury affects his earning capacity he is granted 50% of former average wage so long as disability continues.

California Industrial Accident Commission awards compensation to field agent who on way home from meeting to which he had been sent, turned aside to attend dinner and theater in neighboring city, suffering automobile accident on way home. Held, that notwithstanding digression, employee was acting in course of employment.

Alberta, Canada, Legislature has passed Workmen's Compensation Act, which becomes effective for mines August 1, 1918, and for manufacturing plants January 1, 1919. The act will be administered by a commission of three to be appointed by the Lieutenant-Governor in Council.

Prudential Assurance Company of London, England, reports effects of war on mortality rate of age twenty-one policyholders as follows:

1915, five times pre-war experience; 1916, nine times pre-war experience; 1917, twelve times pre-war experience.

Labor Troubles.

Representatives of striking employees of many St. Louis industries who have been to Washington to confer with War and Labor Department officials, state belief that basis of settlement has been reached; it is reported, however, that only general principles have been agreed on and that each strike will be dealt with separately by U. S. mediators now en route to St. Louis.

About 700 unorganized textile workers at Graniteville, S. C., have struck for increased wages.

Masters and mates of Atlantic coastwise barges striking for higher pay claim that 500 barges are tied up between Chesapeake Bay and Boston. Four firms have granted increase, and men have returned to work; employees of seven firms are reported still out.

Demanding 8-hour day and wage increases, 1,200 foundrymen employed on government contracts by American Car and Foundry Company, Chicago, have struck; present schedule is 10 hours at 22½ to 60 cents per hour.

Wages and Hours of Labor.

The Shipbuilding Labor Adjustment Board has announced uniform wage scale for all workers in Atlantic Coast shipyards; the Board's report says: "One of the most serious

influences retarding progress of ship-building industry . . . is shifting of men from yard to yard. . . . The only effective way to stop it is to remove the inciting cause—the variable wage rates paid by different yards. . . . Provision is made to limit work to 12 hours a day or 60 hours a week except when instructions to the contrary are issued by Emergency Fleet Corporation or by the Navy. Excessive overtime, it is held, has led to inefficiency and a loss of production. The adoption of two and three shifts of eight hours each is recommended.”

Wage increase of about 10% for 30,000 employees of Standard Oil Co., together with system of old age and service annuities and sick benefits, was announced at first meeting under new plan of regular conferences between management and representatives of workers.

Comparing 1914-15 wages with 1917 wages in same occupations, U. S. Bureau of Labor Statistics finds that, where 1914-15 schedules equal 100, 1917 wages of shipyard blacksmiths average 205, other shipyard workers 173, boot and shoe workers 177, woolen workers 170, cotton workers 165, iron and steel 160, and other occupations varying down to 106; no trade shows a decrease.

General Crozier, Chief of Ordnance, U. S. Army, testified before House Committee on Military Affairs that arsenal workers who retapped one hundred 4.7 shells in 10 hours when paid on premium system, required 22.95 hours to accomplish same work on day rate.

In accepting wage increases of from 25% to 50% and ending threatened strike, 60,000 seamen about New York Harbor agree to abolish system of bonus payments for war zone service; any man declining service in war zone will be discharged from union.

Labor Supply.

U. S. Chamber of Commerce reports satisfactory results in Rochester, N. Y., industries from operation of “Rochester Plan,” adopted at conference of all industries to enable manufacturers of city to meet requirements of war contracts; by this plan manufacturers report labor shortages to central committee, and workers are shifted from plant to plant so as to utilize entire resident labor supply at all times and avoid needless employment of additional help.

Monthly Review of U. S. Bureau of Labor Statistics says that experience of ammunition makers proves that unskilled labor takes more kindly to repetition work than skilled mechanics, and dilution of labor in such operations leads to large increase of output; factory employing 123 men and 79 women on such work in January, 1917, produced average of 4.7 nine-inch shells per employee, while 61 skilled men, 17 discharged soldiers, 137 women, and 10 boys at same work in October, 1917, produced 10.5 shells per employee.

Number of women employed in U. S. industries has increased 530,000 since 1914, according to U. S. Bureau of Labor Statistics.

Anthracite operators report shortage of 24,000 workers, and urge national campaign to recruit needed labor, or return of mine workers drafted into National Army.

Cost of Living.

Conference of New South Wales, Australia, farmers called to consider advisability of raising less wheat because of accumulating surplus for which shipping facilities are not available, decided to raise full acreage of wheat and to rely on state and Allied Governments to guarantee purchase at fair price for total production.

U. S. House of Representatives Conferees on Agricultural Appropriation Bill have refused to accept Senate's amendment guaranteeing \$2.50 per bushel for wheat.

U. S. Food Administration has removed rye flour from list of permissible substitutes for wheat flour in bread manufactured by bakers; many American families, it is said in explanation, use only rye bread.

Surplus wheat held by producers who refuse to market it is being seized by agents of U. S. Food Administration; seizures have already been made in New Mexico, Nevada, and a few other points. March 1st report shows 111,000,000 bushels of wheat on farms, with but 30,000,000 bushels needed for seed-ing.

Wall Street Journal (New York) says that neglect of agriculture in Mexico has caused serious food situation; flour in Mexico City is \$50 per barrel, American gold, corn \$4 a bushel.

Industrial Preparedness.

A survey has been authorized by Fuel Administrator Garfield to investigate practicability of transmission by high voltage wires of electrical power generated at mines to industrial plants at New York and other seaboard cities; grades of coal now wasted could be utilized in this manner.

An American Federation of Labor Mission of six representatives will visit England and France to assure workers in those countries of loyalty of U. S. workers to Allied cause. The members of the mission are, James Wilson, president Pattern Makers' League, chairman; and John P. Frey, of International Moulders' Union; William Short, of Washington State Federation of Labor; Miss Melinda Scott, president Straw Hat Trimmers' and Operatives' Union; Miss Agnes Nestor, vice-president Glove Workers' International Union; William H. Johnson, president International Association of Machinists; George L. Berry, president International Pressmen's and Assistants' Union; Chester M. Wright, member International Typographical Union; Martin F. Ryan, president Brotherhood of Railway Carmen.

French Government relies on publicity alone to enforce decisions in labor disputes between seamen and employers in merchant marine; port wardens are required to offer services as conciliators; in case of failure, question is brought before committee of twelve representing employers and employees equally; decisions are posted at entrances to

offices of port, and no penalties for noncompliance are provided.

Trade and Commerce.

Marked growth in French industrial activity is noted in 1917 report of M. Pallain, Governor of Bank of France, who cites in proof increased demand for coal and "marked increase in commercial transactions as a whole."

Total imports of wool into U.S. during seven months ended February 1, 1918, were 187,968,620 lbs., or approximately 1.7 lbs. to every individual in United States. Of this amount only 790,321 lbs. were re-exported.

Practically all looms in U.S. woolen mills have been commandeered by Government for work on army goods; severe curtailment in production of civilian goods is expected to result.

March deliveries by U. S. shipyards of 21 steel vessels, aggregating 166,700 tons, is about 15% below promises and has brought sharp demand for an accounting from Chairman Hurley of the U. S. Shipping Board; 30 steel and 11 wooden ships were launched during the month.

Transportation.

State governors have been asked by Director-General McAdoo "to see that the tax burden on the railroads be made as light as is consistent with the necessities of your state and its subdivisions."

Movement of merchandise between New York and Philadelphia by motor trucks is reported to have

reached 1,000 tons per day; rates are said to be about equal to express charges.

Construction of vessels for Great Lakes service has entirely stopped, and navigation opens April 15th with net loss of 16 vessels, 13 of which were taken over by U. S. Shipping Board and 3 wrecked during year; carrying capacity for season of the 16 vessels lost aggregates 1,190,000 tons.

Movement of Lake Superior iron ore to consuming points is to be handled by central Ore Operating Committee which desires early information from all consumers of amounts wanted for 1918 season; E. C. Collins, of the Pittsburg Steamship Co. of Cleveland, O., is chairman.

Railway Age (New York) summarizing first three months of government operation of railroads, notes that: setting aside of priority orders and vigorous embargoing of traffic has greatly ameliorated congestion on eastern lines, but car shortage has increased; passenger service reduction has been skillfully handled; labor problems are apparently well in hand; standardization of freight cars is advantageous, but standardization of locomotives is dangerous experiment; request that supply companies relinquish patents and royalties is seemingly unjust; severance of corporate management from operation raises difficult questions; highly centralized organization overloads regional officers and Washington staffs and deprives railway officers of initiative.

